

NORTON ROSE FULBRIGHT US LLP

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*Counsel for One World Technologies, Inc. d/b/a
Techtronic Industries Power Equipment*

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

SEARS HOLDINGS CORPORATION, *et al.*,

Debtors.¹

Chapter 11

Case No. 18-23538 (RDD)

(Jointly Administered)

NOTICE OF RECLAMATION DEMAND

PLEASE TAKE NOTICE that One World Technologies, Inc. d/b/a Techtronic Industries Power Equipment ("TTI"), by and through its undersigned counsel, files this Notice of Reclamation Demand pursuant to 11 U.S.C. § 546(c), section 2-702 of the Uniform

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovate Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); Sears, Roebuck de Puerto Rico, Inc. (3626); SYW Relay LLC (1870); Wally Labs LLC (None); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Sears Brands Business Unit Corporation (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLightcom, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); and Sears Brands Management Corporation (5365). The location of the Debtors' corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

Commercial Code, and other applicable non-bankruptcy law, on the above-captioned debtors and debtors-in-possession (collectively, the “Debtors”) to reclaim certain goods (the “Goods”).

The Goods were sold by TTI in the ordinary course of business and delivered to the Debtors in the forty-five (45) days prior to the commencement of the Debtors’ bankruptcy proceedings on October 15, 2018 (the “Petition Date”). TTI is informed and believes the Debtors were insolvent at the time they received delivery of the Goods. TTI incorporates by reference, and attaches as Exhibit A, a copy of the written demand for reclamation and list of invoices and related information for the Goods (the “Reclamation Demand”), which has been delivered to the Debtors and their counsel by overnight mail and electronic mail. The value of the Goods is not less than \$1,896,390.

PLEASE TAKE FURTHER NOTICE that TTI reserves all of its rights with respect to the Goods, including, without limitation, (i) its right to be paid in the ordinary course of business as a post-petition creditor of the Debtors to the extent the Goods were delivered to the Debtors on or after October 15, 2018; (ii) its right to assert a 20-day administrative priority claim pursuant to 11 U.S.C. § 503(b)(9); (iii) its right to assert a “new value” defense to any preference demand pursuant to 11 U.S.C. § 547(c)(4); (iv) its right to demand payment of any portion of this invoice as a “cure” payment in connection with the Debtors’ assumption of any executory contract, if any, pursuant to 11 U.S.C. § 365; (v) its right to seek payment of its prepetition invoices from any non-debtor parties that are co-obligors; (vi) its right to file additional demands or claims, including without limitation, a proof of claim; and (vii) its right to assert any other rights under applicable law. By filing this Notice, TTI does not consent to entry of final orders of the bankruptcy court on non-core issue and claims, and does not waive any jurisdictional defenses and reserves its rights to amend this Notice.

Dated: November 1, 2018

Respectfully submitted,

NORTON ROSE FULBRIGHT US LLP

By: /s/ Christy Rivera

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*Counsel for One World Technologies, Inc. d/b/a
Techtronic Industries Power Equipment*

Exhibit A



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November 1, 2018

VIA FEDERAL EXPRESS AND EMAIL

Ray C. Schrock (ray.schrock@weil.com)
Jacqueline Marcus (jacqueline.marcus@weil.com)
Weil, Gotshal & Manges LLP
767 Fifth Avenue
New York, New York 10153

VIA FEDERAL EXPRESS

Sears Holdings Corporation
3333 Beverly Road
Hoffman Estates, Illinois 60179
Attention: General Counsel

Re: In re Sears Holdings Corporation, et al. (Case No. 18-23538) (RDD)
Reclamation Demand of Techtronic Industries Power Equipment

Dear Sir and Madam:

This firm represents One World Technologies, Inc. d/b/a Techtronic Industries Power Equipment (“TTI”), a creditor in the above-captioned bankruptcy cases of Sears Holdings Corporation and its affiliates (collectively, the “Debtors”). TTI holds certain claims against the Debtors for failure to make payments for goods shipped.

Section 546(c) of the Bankruptcy Code expressly preserves any statutory or common law right of a seller of goods to reclaim those goods that TTI sold to the Debtors and delivered within forty-five days of October 15, 2018 (the “Reclamation Period”).

Therefore, in accordance with the applicable state codification of U.C.C. § 2-702(2), as rendered applicable to the Debtors’ bankruptcy proceedings by operation of 11 U.S.C. § 546(c), TTI hereby makes written demand to reclaim all goods which have been sold by TTI in the ordinary course of business and received by the Debtors during the Reclamation Period (collectively the “Goods”). Attached hereto as Schedule A and made a part hereof is a list of invoices relating to the Goods which have been received by the Debtors during the applicable period, totaling \$1,896,389.9.

TTI further requests that the Debtors immediately segregate all of the Goods that TTI

has delivered to the Debtors or allow TTI to take an inventory of the merchandise TTI has delivered to the Debtors for purposes of determining the Goods subject to reclamation.

Please be advised that this letter is not a demand for payment of the Debtors' pre-petition indebtedness to TTI. It is intended to be in the nature of the type of notice provided for in 11 U.S.C. § 546(c). This reclamation demand is without prejudice to all other rights and remedies available to TTI, at law or in equity, including its right to an allowed administrative expense claim under 11 U.S.C. § 503(b)(9) or any other provision of the Bankruptcy Code and/or its rights to amend and supplement this demand and to serve and file additional demands or claims.

Please forward all correspondence or other notices related to the Reclamation Demand to my attention.

Very truly yours,

Christy Rivera

Schedule A
(Merchandise Subject to Reclamation)

PO Number	SD Doc.	Ship Date	Total Price	Shipped from Port
TJ8217	5208649	8/31/2018	\$254,800.00	FOB Yantian
TJ7975	5202864	8/31/2018	\$86,897.36	FOB Yantian
TJ7896	5208379	9/3/2018	\$23,246.40	FOB Ningbo
TJ8216	5208650	9/10/2018	\$155,730.00	FOB Yantian
TJ7975	5202864	9/14/2018	\$86,897.36	FOB Yantian
TJ8248	5213734	9/17/2018	\$34,440.00	FOB Yantian
TJ8233	5208651	9/17/2018	\$92,780.00	FOB Yantian
TJ7928	5208380	9/17/2018	\$23,246.40	FOB Ningbo
TJ7849	5232165	9/21/2018	\$582,120.00	FOB Yantian
TJ8245	5208778	9/28/2018	\$191,100.00	FOB Yantian
TJ7919	5208393	9/28/2018	\$76,440.00	FOB Yantian
TJ7805	5214337	10/15/2018	\$82,501.23	FOB Yantian
TJ7931	5208391	10/15/2018	\$206,191.23	FOB Yantian

TOTAL:
\$1,896,389.98